

Finance Act, 1983

Section 7 - Amendment of Section 13

In section 13 of the Income-tax Act, -

(a) in sub-section (1), -

(i) clause (bb) shall be omitted with effect from the 1st day of April, 1984;

(ii) for clause (d), the following clause shall be substituted, namely :-

"(d) in the case of a trust for charitable or religious purposes or a charitable or religious institution, any income thereof, if for any period during the previous year -

(i) any funds of the trust or institution are invested or deposited after the 28th day of February, 1983 otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11; or

(ii) any funds of the trust or institution invested or deposited before the 1st day of March, 1983 otherwise than in any one or more of the forms or modes specified in sub-section (5) of section 11 continue to remain so invested or deposited after the 30th day of November, 1983; or

(iii) any shares in a company (not being a Government company as defined in section 617 of the Companies Act, 1956 (1 of 1956) or a corporation established by or under a Central, State or Provincial Act) are held by the trust or institution after the 30th day of November, 1983 :

Provided that nothing in this clause shall apply in relation to -

(i) any assets held by the trust or institution where such assets form part of the corpus of the trust or institution as on 1st day of June, 1973 and such assets were not purchased by the trust or institution or acquired by it by conversion of, or in exchange for, any other asset;

(ii) any assets (being debentures issued by, or on behalf of, any company or corporation) acquired by the trust or institution before the 1st day of March, 1983;

(iii) any funds representing the Profits and gains of business, being profits and gains of any previous year relevant to the assessment year commencing on the 1st day of April, 1984 or any subsequent assessment year.

Explanation : Where the trust or instituted has any other income in addition to profits and gains of business, the provisions of clause (iii) of this proviso shall not apply unless the trust or institution maintains separate books of account in respect of such business.";

(b) in sub-section (2), in the opening portion, for the words, brackets and letter "provisions of clause (c)", the words, brackets and letters "provisions of clause (c) and clause (d)" shall be substituted;

(c) in sub-section (4) in the opening portion for the words "in a case where", the words, brackets and letter "but without prejudice to the provisions contained in clause (d) of that sub-section in a case where" shall be substituted;

(d) sub-sections (5) and (6) shall be omitted.

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